



May 14, 2014

Item No. 13

AUTHORIZATION TO EXECUTE AN AGREEMENT TO ENTER INTO A HOUSING ASSISTANCE PAYMENTS CONTRACT FOR KENMORE PLAZA APARTMENTS

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners (Board) approve the attached Resolution authorizing the Chief Executive Officer (CEO) or his designee to 1.) execute an Agreement to enter into a Housing Assistance Payments Contract (AHAP) for Kenmore Plaza Apartments; 2.) execute a Housing Assistance Payments Contract (HAP) for Kenmore Plaza Apartments and 3.) execute all other documents as may be necessary or appropriate to implement the foregoing.

CORPORATE GOAL

The proposed contract supports Plan Forward Goal #1: coordinating public and private investment to develop healthy, vibrant communities.

This contract will result in more affordable housing opportunities for families by providing Property Rental Assistance (PRA) for up to 195 apartments as detailed below.

FUNDING: Housing Choice Voucher (HCV) Program through the U.S. Department of Housing and Urban Development's (HUD) Enhanced Voucher Funding

PROPERTY SUMMARY

Development Name	Community / Ward / Alderman	Developer / Owner	Target Population	PRA Units	Total Units
Kenmore Plaza Apartments	Edgewater/ 48 th Ward/ Harry Osterman	Kenmore Plaza Tenants Association	Seniors	up to 195	324

CONTRACT SUMMARY

Development Name	Funding	Contract Term	Contract Type	Initial Estimated Contract	Total Estimated Contract	Application Received
Kenmore Plaza Apartments	HCV – HUD Enhanced Voucher Funding	30 Years	AHAP/HAP Contract	\$2,062,370/ year	\$83,666,310 (30 years)	February 2014

Proposed Development: Kenmore Plaza Apartments

- Preservation of an occupied 28-story elevator building containing 324 units in the Edgewater community area consisting of 54 studios, 216 one-bedroom and 54 two-bedroom units. Up to 29 studios, 128 one-bedroom and 38 two-bedroom units will be PRA for seniors.
- One hundred ninety-five units (195) will receive enhanced vouchers from HUD, which may be converted to PRA with tenants consent. All units converted to PRA will be funded by HUD through the enhanced vouchers, not from CHA's HCV allocation.
- Of the 324 units, 129 will remain under an existing HUD HAP contract.
- Building amenities include a community room and kitchen, a large outdoor courtyard, garden and sitting area, a secured entry, laundry facilities and on-site management.

Developer Background: Kenmore Plaza Tenants Association

- Kenmore Plaza Tenants Association is a non-profit corporation formed in 1996 to acquire Kenmore Plaza, and is governed by a board of directors comprised of five residents. All strategic decisions for the building are made by the board in consultation with the residents.
- The Habitat Company, which has managed the property since 1997, will remain as property manager.

Waiting List / Occupancy Process

The building is currently fully occupied. Current residents who elect to convert their enhanced voucher to PRA will remain in their units. At turnover, it is the intent of the owner/manager of Kenmore Plaza to lease all of the PRA-assisted units to eligible seniors from CHA's waiting lists. CHA will make referrals from its Public Housing and Project Based Voucher (PBV) waiting lists as well as seniors whose right of return under the Relocation Rights Contract has not been satisfied. The CHA waiting list of applicants will be exhausted prior to utilization of a site-based waiting list.

Conclusion

The Board action recommended in this item complies in all material respects with all applicable CHA board policies and all applicable federal procurement laws.

The Chief Housing Officer concurs with the recommendation to execute an AHAP and HAP contract for Kenmore Plaza Apartments.

The CEO/President recommends the approval to execute an AHAP and HAP contract for Kenmore Plaza Apartments.

RESOLUTION NO. 2014-CHA-53

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated May 14, 2014 requesting authorization to execute an AHAP and HAP contract for PRA assistance for Kenmore Plaza.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute an AHAP and HAP contract for PRA assistance for Kenmore Plaza Apartments.



Chicago Housing Authority
60 E. Van Buren
Chicago, IL 60605
312-742-8500
www.thecha.org